

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

July 30, 2009

TO: Internal File

THRU: Steve Christensen, Team Lead *SISC*

FROM: Priscilla Burton, Environmental Scientist III *PWB by SAS*

RE: Mid-term Review, Consolidation Coal Co., Hidden Valley Mine, Permit # C/015/0007. Task #3302

SUMMARY:

A mid-term review was initiated on June 4, 2009 as required by R645-303-211. An AVS evaluation on July 30, 2009 stated that there were 18 violations connected to entity 107373, Consolidation Coal Co. This evaluation was sent to file. A narrative was requested and will also be sent to file.

A commitment has been overlooked that should be included on the Annual Report form, as follows:

Title: RECLAMATION of AREA "A"

Objective: To complete reclamation at Hidden Valley

Frequency: To be completed within a few years of the 1997 reclamation of Area B, based on vegetation analysis of reclamation area "B"

Status: outstanding

Reports: As built and Vegetation monitoring

Citation: R645-300-142, MRP Amendment 97B, page 2.

Updated information is requested in Chapter 1 of the MRP as follows:

R645-301-121.100, Legal, Financial information in Chapter 1 of the Hidden Valley MRP is outdated for the address and telephone number of the permittee and operator. The Permittee should evaluate the information provided in Chapter 1 and Appendix 1-1 for accuracy. • MRP Chapter 1, Attachment C, provides a listing of surface and subsurface ownership that may be outdated and should be evaluated by the Permittee for accuracy. If revisions are necessary, please include

the information in the map format required by R645-301-521.130. • Amendment 97B to the MRP was approved September 22, 1997. Reclamation activity on the B seam side of the site commenced in 1997. Page 2 of the approved amendment states that the A seam side would be reclaimed in a similar manner in a couple of years after the evaluation of the B-seam side. In 2005, Consolidation Coal Co. stated that the reclamation of the A seam side would depend upon the decision by the Board of Directors whether portal development would be pursued through the A seam (Inspection Report #787). The Permittee should complete the work on the A seam side or alter the reclamation plan to reflect current intentions. [pwb]

R645-301-112.800, A meeting was held between the Division and Consolidation Coal Co. on March 21, 2007, after the January 2007 permit renewal. DOGM meeting notes describe Consolidation Coal Company's interest in adjacent fee and SITLA lands: Consol fee – 480 acres, and SITLA 1120 acres. A statement of interest in these lands, options or pending bids should be included in Section 112.800 of the MRP. [pwb]

TECHNICAL ANALYSIS:

GENERAL CONTENTS

IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

Analysis:

The list of officers and directors provided with the 2008 Annual Report (received May 20, 2009) was accurate for the year 2008, but does not include five new officers that began in February 2009. These officers are listed in the AVS database for this interstate company.

Legal, Financial information in Chapter 1 of the Hidden Valley MRP is outdated for the address and telephone number of the permittee and operator. The Permittee should evaluate the information provided in Chapter 1 for accuracy.

In addition, the Utah mining permit was issued to Consolidation Coal Co. at an address that is not listed in the AVS database, nor in the MRP. The Division has added the Sessor, Illinois address to the AVS database as a result of this mid-term review.

Findings:

R645-301-121.100, Legal, Financial information in Chapter 1 of the Hidden Valley MRP is outdated for the address and telephone number of the permittee and operator. The Permittee should evaluate the information provided in Chapter 1 and Appendix 1-1 for accuracy.

VIOLATION INFORMATION

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

Analysis:

Chapter 1, App. I-IV, violation information was recently updated with the permit renewal on January 29, 2007.

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Findings:

The information provided meets the requirements of the Utah coal mining rules.

LEGAL DESCRIPTION AND STATUS OF UNSUITABILITY CLAIMS

Regulatory Reference: 30 CFR 778.16; 30 CFR 779.12(a); 30 CFR 779.24(a)(b)(c); R645-300-121.120; R645-301-112.800; R645-300-141; R645-301-115.

Analysis:

The Hidden Valley Mine permit (issued January 2007) describes a permit area of 960 acres. A meeting was held between the Division and Consolidation Coal Co. on March 21, 2007, after the permit renewal. DOGM meeting notes describe Consolidation Coal Company's interest in adjacent fee and SITLA lands: Consol fee – 480 acres, and SITLA 1120 acres. A statement of interest in these lands, options or pending bids should be included in Section 112.800 of the MRP. Chapter 1, Attachment C, provides a listing of surface and subsurface ownership that may be outdated and should be evaluated by the Permittee for accuracy.

Findings:

R645-301-112.800, A meeting was held between the Division and Consolidation Coal Co. on March 21, 2007, after the January 2007 permit renewal. DOGM meeting notes describe Consolidation Coal Company's interest in adjacent fee and SITLA lands: Consol fee – 480 acres, and SITLA 1120 acres. A statement of interest in these lands, options or pending bids should be included in Section 112.800 of the MRP.

R645-301-121.100, Chapter 1, Attachment C, provides a listing of surface and subsurface ownership that may be outdated and should be evaluated by the Permittee for accuracy. If revisions are necessary, please include the information in the map format required by R645-301-521.130.

RECOMMENDATIONS:

Current information is requested for Chapter 1 of the Hidden Valley MRP.